

# SENATE MOTION

MR. PRESIDENT:

**I move** that Engrossed House Bill 1004 be amended to read as follows:

- 1           Page 100, between lines 8 and 9, begin a new paragraph and insert:  
2           "SECTION 99. IC 6-8.1-4-1 IS AMENDED TO READ AS  
3           FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The  
4           commissioner may establish within the department various divisions to  
5           assist in the administration and collection of the listed taxes. **The**  
6           **divisions of the department, including the divisions established by**  
7           **statute, are under the control of the commissioner and shall**  
8           **provide the commissioner and other divisions of the department**  
9           **with the information necessary or appropriate to carry out the**  
10          **functions of the department.**  
11          (b) Subject to the discretion of the commissioner as set forth in  
12          subsection (c), the commissioner shall establish within the department  
13          a division of audit, which shall:  
14                ~~(1) upon the commissioner's request, conduct studies of the~~  
15                ~~department's operations and recommend whatever changes seem~~  
16                ~~advisable;~~  
17                ~~(2)~~ (1) annually audit a statistical sampling of the returns filed for  
18                the listed taxes that are not administered by the special tax  
19                division;  
20                ~~(3)~~ (2) review such federal tax returns and other data as may be  
21                helpful in performing the audit function;  
22                ~~(4) furnish the commissioner, at the commissioner's request, with~~  
23                ~~information showing the treatment that the Indiana tax statutes are~~  
24                ~~given by the taxpayers and by the taxing officials and with other~~  
25                ~~requested information; and~~  
26                ~~(5)~~ (3) conduct audits requested by the commissioner or the  
27                commissioner's designee; **and**  
28                **(4) perform any other duty assigned by the commissioner.**  
29          (c) Notwithstanding the requirements set forth in this chapter  
30          regarding the establishment and duties of divisions within the  
31          department, if the commissioner finds that a transfer of duties or

functions will increase the efficiency of the department, the commissioner may transfer any duties or functions from one (1) division to another division within the department."

Page 100, line strike lines 27 through 29.

Page 100, line 30, strike "(3)" and insert "(2)".

Page 100, line 32, strike "(4)" and insert "(3)".

Page 100, line 34, strike "(5)" and insert "(4)".

Page 100, line 36, strike "(6)" and insert "(5)".

Page 100, line 38, strike "(7)" and insert "(6)".

Page 100, line 40, strike "(8)" and insert "(7)".

Page 100, between lines 41 and 42, begin a new line block indented and insert:

**"(8) Perform any other duty assigned by the commissioner.**

SECTION 101. IC 6-8.1-4-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 5. The commissioner shall establish within the department a division of policy, planning, and research. The division shall do the following:**

**(1) Conduct the statistical study required under IC 6-8.1-14-4 and prepare the report required under IC 6-8.1-14-3.**

**(2) Upon the request of the commissioner, the governor, the budget agency, the chair of the budget committee, the chair of the commission on state tax and financing policy, or the general assembly, compile statistical studies from information derived from state tax returns or the audit process and disclose the results of those studies under IC 6-8.1-7-2.**

**(3) Upon the request of the commissioner, the governor, the budget agency, the chair of the budget committee, the chair of the commission on state tax and financing policy, or the general assembly, conduct studies of the department's operations and recommend whatever changes seem advisable.**

**(4) Upon the request of the commissioner, the governor, the budget agency, the chair of the budget committee, the chair of the commission on state tax and financing policy, or the general assembly, furnish information showing the treatment that the Indiana tax statutes are given by the taxpayers and by the taxing officials.**

**(5) Upon the request of the commissioner, the governor, the budget agency, the chair of the budget committee, the chair of the commission on state tax and financing policy, or the general assembly, prepare an incidence impact analysis of one**

**(1) or more Indiana tax statutes that:**

**(A) to the extent data is available, evaluates the tax burden resulting from the statute or statutes:**

**(i) on the overall income distribution, using a systemwide incidence measure or other appropriate measures of equality and inequality;**

- 1           (ii) on income classes, including, at a minimum, quintiles
- 2           of the income distribution, on renters and homeowners,
- 3           on industry or business classes, as appropriate, and on
- 4           various types of business organizations;
- 5           (iii) by other appropriate taxpayer characteristics, such
- 6           as whether the taxpayer is a farmer, retired person, or
- 7           resident or nonresident of the state; and
- 8           (iv) by distribution of impact on consumers, labor,
- 9           capital, and out-of-state persons and entities;
- 10          (B) uses the broadest measure of economic income for
- 11          which reliable data is available; and
- 12          (C) includes a statement of the incidence assumptions that
- 13          were used in making the analysis.
- 14          (6) Upon request, assist the legislative services agency,
- 15          legislative committees, and the general assembly with the
- 16          analysis of the state and local fiscal impact of proposed,
- 17          pending, and enacted legislation.
- 18          (7) Upon request, assist the legislative services agency,
- 19          legislative committees, and the general assembly with the
- 20          analysis of the state and local fiscal impact of proposals
- 21          pending before a study committee of the general assembly.
- 22          (8) Perform any other policy, planning, or research function
- 23          assigned by the commissioner."

24          Renumber all SECTIONS consecutively.

(Reference is to EHB 1004 as printed February 22, 2002.)

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Senator SIMPSON